21 September 1961

MEMORANDUM FOR THE RECORD

SUBJECT: Contract for the LARR DII and PIGMI II
STATINTL

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l. I advised on 12 September to stop work on our equipment because he reported to me that they were having some basic design difficulty with the PIGMI II. called me from STATINTL today to report their proposed solution for two alternatives I suggested in view of their difficulty.

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a. Plan I - to rectify the difficulties discovered in the PIGMI.

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- original cost

- overrun (not signed by the time because by the time they got the approval on this they had discovered that STATINTL there would be an additional overrun.)

- total

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- spent by as of 25 August

- spent by as of 8 September

- spent by when given an order to stop work

on 12 September

total cost estimated by to make the PIGMISTATINTL work with a 90% chance of success which means probably more overrun.

b. Plan II - modify the LARR DII to work with our PIGMI I. In order to accomplish this several modifications to the LARR will be required, such as replacement of both X and Y readers plus some difference required for me- STATINTL chanics and cabling which can be done at for installation and hookup here. This would reduce the capability of the LARR in that readout speed would be reduced by about 40% and no readout would be possible on the fly. Such modifications can be accomplished by 1 February 1962 for a total additional cost of approximately

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2. I asked to submit such proposals in writing to the Contracting Officer and me and to continue his "no work" status until a decision is made.

DECLASS REVIEW by NIMA/DOD

Approved For Release 2001/08/13 : CIA-RD

cc: AS/NPIC

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